
FINANCIAL SERVICES REPUBLICAN MORNING CLIPS 4.14.2010

Wall Street Journal: "Banks Falter in Rules Fight ... Senate Democrats, resisting a last-ditch lobbying push from big Wall Street firms, are moving toward a sweeping revamp of financial regulation that would squeeze banks' lucrative derivatives-trading business."

Wall Street Journal: "Morgan Stanley Property Fund Faces \$5.4 Billion Loss ... Morgan Stanley has told investors in its \$8.8 billion real-estate fund that it may lose nearly two-thirds of its money from bum property investments, according to fund documents reviewed by The Wall Street Journal."

Wall Street Journal: "Treasury Moves to Protect Federal Benefits ... The Treasury Department is releasing new rules preventing banks from seizing Social Security and other federal benefits from customers facing debt collectors."

Wall Street Journal: "EU Mulls Exempting Non-Financial Firms From Derivatives Rules ... The European Commission is likely to include an exemption for non-financial firms from new rules that will require most derivatives trades to be routed through clearing houses, according to a commission document."

Wall Street Journal: "Treasury Moves to Protect Federal Benefits ... The Treasury Department is releasing new rules preventing banks from seizing Social Security and other federal benefits from customers facing debt collectors."

Wall Street Journal: "J.P. Morgan Chase Posts Profit on Investment-Bank Strength ... The improving economy left its mark on J.P. Morgan Chase & Co.'s first-quarter earnings, as delinquencies continued to decline and the company had to set aside less money for bad loans."

Wall Street Journal: "TV's Next 'Undercover Boss' May Come From Wall Street ... 'Undercover Boss' is coming to Wall Street."

Wall Street Journal: "Former WaMu CEO Blames Wall Street 'Club' ... Former Washington Mutual Inc. Chief Executive Kerry Killinger scoffed at lawmakers who blamed him for the largest bank failure in U.S. history, accusing regulators of helping only financial institutions deemed 'too clubby to fail.'"

Wall Street Journal: "Incurious Inquiry ... Those who say nothing useful came from last week's hearings of the Financial Crisis Inquiry Commission exaggerate-by, say, one or two percent."

Washington Post: "Smaller banks given federal extension to help preserve key accounts ... Federal banking regulators voted Tuesday to extend a guarantee program aimed at helping smaller banks overcome the fallout from the financial crisis while also moving to explore a proposal that could result in higher fees on large, risky banks."

Washington Post: "Bankers fight calls to offer wide mortgage relief for underwater homeowners ... Banking executives pushed back Tuesday against pressure from lawmakers and housing advocates to cut the loan balances of millions of homeowners who owe more than their homes are worth."

Washington Post: "Greece raises \$2 billion, signaling investor relief ... In a test of investor confidence, Greece on Tuesday successfully raised \$2 billion, but at interest rates still considered too costly for the government in Athens to pay in the long run."

Washington Post: "Morgan Stanley CEO calls for partnering with regulators and legislators ... Morgan Stanley chief executive James Gorman acknowledged in a letter to shareholders Monday that the financial sector benefited from extraordinary government support during the 2008 market crisis and urged the industry to work with Washington on reshaping banking regulation."

Washington Post: "IMF studies levy on banks based on their risk to global economy ... The International Monetary Fund is studying a possible levy on banks based on their importance and "interconnectedness" to the world economy, part of its push for a coordinated global response to the financial crisis amid concern about the scattershot nature of proposals being offered in different countries."

Washington Post: "In hindsight, Geithner looks good. In foresight, he doesn't. ... Last spring, if you believed the media, Tim Geithner was the tax-cheating Treasury secretary who used gobs of taxpayer money to bail out the banks and provide bonuses to failed executives at American International Group, even as he was running up massive government deficits in a vain attempt to stimulate the U.S. economy."

Washington Post: "Politics hampers effort to reform the \$450 trillion derivatives market ... "DERIVATIVES" is the financial industry's fancy term for contracts that market participants make with one another to profit from, and protect against, various kinds of risk."

NY Times: "G.O.P. Takes Aim at Plans to Curb Finance Industry ... Drawing the lines for a fierce election-year battle over regulating the nation's financial system, Senate Republicans on Tuesday insisted that legislation proposed by Democrats and the White House would only encourage future taxpayer bailouts of big banks."

NY Times: "Bill Would Require Derivatives Trading to Occur on Exchanges ... The Democratic chairwoman of the Senate Agriculture Committee said on Tuesday that she would propose legislation requiring nearly all users of derivative contracts to trade on centralized exchanges and possibly ordering banks to segregate their business in derivatives into separate subsidiaries."

USA Today: "Banking execs raise fairness issue on mortgage reductions ... Top banking industry executives are skeptical about helping troubled borrowers by forgiving a portion of their debt."

Washington Times: "Bernanke to give mixed message on recovery ... Federal Reserve Chairman Ben Bernanke goes to Capitol Hill on Wednesday with a bittersweet message: The economic recovery is taking hold but won't be strong enough to quickly drive down unemployment."

Bloomberg: "Bankers' Ailing-Client Deals End With Greece: Alice Schroeder ... Greece's fiscal debacle and rescue package aren't just about national finances. They also say a lot about Wall Street's investment banks."

The Hill: "Wall Street's big rally sharpens focus on tax ... Expiring tax breaks for dividends will be in the spotlight for the rest of the year thanks to Wall Street's rally and record budget deficits."

The Hill: "Treasury falls short on housing ... The Obama administration is falling short of its goals to stabilize the housing market and halt foreclosures, a congressional watchdog said."

The Hill: "Lincoln gets tough on derivatives market ... Senate Agriculture Committee Chairwoman Blanche Lincoln (D-Ark.) said Tuesday she would pursue a "narrow exemption" in legislation overhauling the multitrillion-dollar derivatives market, vowing to get tough on the Wall Street industry."

Politico: "Hopes dim for bipartisan banking bill ... The chances of a bipartisan compromise on financial reform took another significant hit Tuesday as top Senate Republicans accused the White House of derailing a deal on derivatives trading and bashed the Democratic legislation as perpetuating Wall Street bailouts."

Politico: "Obama: No guarantee on sanctions ... President Barack Obama acknowledged Tuesday that, despite his full-court press for tough sanctions aimed at persuading Iran to abandon its suspected nuclear weapons program, he could not promise that China and other major powers would go along."